

## Sunset Update: Health & Human Services Agencies

The Sunset Advisory Commission made significant recommendations regarding the state's five largest health and human services (HHS) agencies. Some of these recommendations were included in bills that were considered by the 84<sup>th</sup> Texas Legislature. The summary below details how the Sunset recommendations were addressed during the legislative session.

### Overview: HHS Consolidation

The Sunset Advisory Commission is required to periodically review each state agency to determine whether the agency's functions are necessary. If the agency's functions are necessary, the Sunset Commission determines how the agency (or the agency's functions) can be managed more efficiently. The Sunset Commission develops recommendations that are submitted to the legislature. The latest review conducted by the Sunset Commission involved the five largest HHS agencies in Texas:

- Department of Aging and Disability Services (DADS)
- Department of Assistive and Rehabilitative Services (DARS)
- Department of Family and Protective Services (DFPS)
- Department of State Health Services (DSHS)
- Health and Human Services Commission (HHSC)

In February 2015, the Sunset Commission submitted a report to the Texas Legislature that summarized its recommendations. The most significant change recommended was the consolidation of the five HHS agencies into one commission under HHSC.

However, in March 2015, Governor Greg Abbott's HHSC Strike Force changed the course of the Sunset legislation. Following the HHSC 21CT controversy, which brought to light faulty contracting procedures for fraud detection services, the Strike Force was deployed. The Strike Force – a special team assembled to examine the inner workings of HHSC – published a report that detailed serious concerns about HHSC and addressed the following key areas:

- the 21CT controversy
- the Office of the Inspector General's use of fraud detection technologies
- contracting procedures in general
- organization and management
- consolidation of the HHS agencies
- vision and leadership

The problems identified prompted changes to the consolidation timeline. DADS, DARS, parts of DFPS (excluding adult and child protective services), DSHS (excluding public health and data collection), and HHSC would be combined not later than September 1, 2017. Remaining functions at DFPS and DSHS would be assessed for consolidation with HHSC in September 2018.

## **DADS: SSLCs & Day Habilitation Programs**

The Sunset Commission's report to the Legislature noted the 13 State Supported Living Centers' (SSLCs) declining enrollment, increasing costs, and questionable quality. The DADS Sunset bill, SB 204, contained the most significant Sunset Commission SSLC recommendations.

SB 204 would have required the Austin SSLC to close in 2017 and would have required the creation of an SSLC Restructuring Commission to determine the future of SSLCs in Texas. The bill passed the Senate, but then the House voted to remove these two provisions from the bill.

SB 204 failed to pass. The fate of its other less controversial provisions, including improvements to the Quality Reporting System, and to the quality and safety of services in day habilitation facilities, have yet to be determined.

## **DARS: Transfer to HHSC & TWC**

Sunset staff recommended DARS responsibilities be reorganized to eliminate the duplication of services and other inefficiencies. The DARS Sunset bill (HB 2463) and the Texas Workforce Commission (TWC) Sunset bill (SB 208) provide the basis for a two-year transition plan of the reorganization of DARS responsibilities.

The DARS Sunset bill also governs functions that are being transferred to HHSC by September 1, 2016, including the Blind Children's Vocational Discovery and Development Program, Disability Determination Services, the Independent Living (IL) Program for individuals who are blind or have visual impairments, and the IL Program for individuals with significant disabilities. The TWC Sunset bill transfers the following programs from DARS to TWC, effective September 1, 2016:

- Vocational Rehabilitation Program for people who are visually impaired as well as people with other disabilities
- Criss Cole Rehabilitation Center
- Business Enterprises of Texas
- IL Services to Older Individuals who are Blind
- Rehabilitation Council of Texas

Note: the ILGeneral and the ILBlind Programs will transfer to HHSC and the program known as the "Older Blind Program" will transfer to TWC.

Within a year following the transfer of functions from DARS to TWC, TWC is required to meet the deadlines listed below:

- October 1, 2017: combine the separate vocational rehabilitation programs for individuals with visual impairments and individuals with other disabilities.
- August 31, 2018: integrate DARS vocational rehabilitation staff into TWC's local workforce development boards and centers.

## **What's Next**

A Transition Legislative Oversight Committee will be appointed by October 1, 2015 for the health and human services consolidation. The HHSC executive commissioner will submit a transition plan to the oversight committee by March 2016.